

STATINTL

The decline of U.S. intelligence

By Bobby Inman

WHEN YOU think about the intelligence business of this country, there are normally three disciplines: human intelligence, imagery, and signals intelligence.

By human intelligence, we mean people who observe and report information. A great deal of that is available in the open press, by contact, by discussion. Somebody with a language ability can go out to the bazaar or the mosque and come back and give some sense of the feeling of the people. And sometimes human intelligence is clandestine, when it is necessary to hire agents to steal secrets that other governments wish to maintain.

The second area, imagery—taking pictures—has been around for a long time. But the advent of the U-2, the SR-71 and satellites revolutionized that. And in fact that entranced a lot of people who felt it was going to answer all the needs of the world.

And the third area, signals intelligence, really began from trying to intercept, break and read the codes of other countries. In World War I, the U.S. moved to have an intelligence capability that covered all those disciplines. In fact, the very best communications intelligence capability belonged to the State Department.

After World War I, the U.S. went back to the usual mode of trying to disestablish that capability. But the State Department for a decade kept a very good capability in communications intelligence until 1929 when a new secretary of State came along, took a look and said, "Gentlemen don't read other gentlemen's mail," and disestablished it.

BUT IT really was the galvanizing experience of World War II that changed this country's whole approach toward intelligence organizations and what we might need. For the first time, this country had to deal with problems on a global basis, whether it was planning an amphibious operation or targeting factories in Germany for bombing or trying to understand simply the climatology of places in the world where we were going to store supplies.

Out of that experience, the leadership of this country was determined that we would not again be so totally taken by surprise, not just by Pearl Harbor, but by knowing so little about the problems we would have to deal with. The National Security Act of 1947 not only set up a Defense Department, it provided for a director of central intelligence and a deputy who were to look after the needs of an entire intelligence community to be created and also to manage a central intelligence agency. The other intelligence agencies were created by executive order over the next four or five years. The 1950s were a time of great growth for this country in developing an intelligence capability.

When you think about the capabilities this country ought to have in the intelligence arena, you need to think in three areas. Foreign intelligence, knowing things about other countries, whether their military capabilities, political events, economic events, ecology, or transportation systems—everything one might need to know: a classified Encyclopedia Britannica.

The second area is counterintelligence, whether other intelligence agencies are trying to find out about this country, about secrets we believe we should protect.

And finally, the most controversial area: covert action using mechanisms beyond normal diplomacy but short of the formal declared use of military force to try to bring about actions or change actions in other countries.

In the 1950s when we embarked on a great period of building, money and people were available if you had a good idea about how you might do a better job of foreign intelligence, or counterintelligence or of covert action.

The covert action syndrome came out of the experience with OSS in World War II and there was great enthusiasm in 1953 when the Shah of Iran was restored to his throne. In 1954 when Arbenz in Guatemala was removed from governing, that covert action was a very useful tool for the government to have.

The 1950s were times for investment in technology and the arrival of the U-2. For the first time we obtained the ability by photography to understand what was going on in a closed society. We had both the understanding to avoid the prospect of surprise attack but also the possibility to be able to verify treaties. We could move into arms control arrangements where we could not get permission to do on-site inspection.

In 1961 we came to a new era, an era of cost effectiveness. It swept over the Defense Department, and since most of the intelligence budget is buried there, we were quickly caught up. If there was ever a profession that was likely not to be cost effective, at least next to research, was that of the field of intelligence. You never knew when you might need to know some information, but if you started asking if it was cost effective to collect information on the transportation systems, or communications systems of various countries, it was pretty easy to conclude that you might not need it, and therefore it was not cost effective.

I MARK the begin of the decline of U.S. intelligence communication capabilities to 1964. Indeed, from 1946 forward we had asked what might this country need to know. In 1961

we began asking if it is cost effective. In 1964 Vietnam came along, and a decision was made to pay for the cost of war out of capital investment. And so instead of maintaining that encyclopedic data base on what happened in the outside world, the decision was made to divert those people from keeping encyclopedias that had to be updated by printing, by typing every year before computers had come along.

The decision was made to divert those people from the study of less essential countries and to have them work on the detailed information for fighting a tactical war in South Vietnam. In 1967 a new problem occurred with the balance of payments. The question was: How could you reduce American presence abroad?

In 1969, it became a Vietnamization, reducing the entire size of the national security structure. By 1971, new opportunities came along. Technology had led us to the stage that we could do with satellites all kinds of things we earlier envisioned doing only with manned aircraft. But but they cost huge sums of money. So a decision was made to reduce manpower in order to buy the technology.

That's not entirely a bad story because the fundamental ability to verify treaties and to provide for indications and warnings against surprise attack in this day of intercontinental weapons systems was in fact bolstered by that investment. But our ability to follow and understand what was going on in the bulk of the rest of the world in any kind of depth was given up. Then in 1974 came the disclosures of abuses, some imagined, but some real about trampling on the rights of American citizens.

Suddenly with hindsight one recognized that the great builders in the 1940s who wanted to give this country a peacetime intelligence capability second to none had failed to reflect on the standards by which the operatives would be held accountable. There were no guidelines. And we lurched—as this country has a great ability to do—into a period of inquisition, congressional investigations. They made great headlines and for about 18 months no one was very interested in looking back and asking

about the effect of those years of diversion and in reduction of people and assets in the intelligence community.

Adm. Bobby Inman is the former director of the National Security Agency and was the deputy director of the Central Intelligence Agency until he resigned last spring. This article is adapted from a recent talk he gave to a gathering of scientists at the Fermi National Accelerator Laboratory in west suburban Batavia.

IN 1975, WHEN Vietnam collapsed, we had a great discussion in Washington about the likely reaction to that event. The reaction internally was simply worry about the impact on detente, if we responded at all. Six months later we had the movement of Soviet equipment, Cuban troops and Angola. Covert action, which had seemed such a great technique 10 years earlier, was again contemplated. But with the aversion of the Vietnam experience, what we got instead was the Clark Amendment which forbade any use of covert action in Angola. The total figures are classified but between 1964 and 1978 we reduced 40 percent of the manpower devoted to the intelligence mission for this country. As far as covert action was concerned, between 1962 and 1978 we reduced it by 92 percent, almost down to a nonexistent capability. So, much of the propaganda that you've read about various actions by the CIA around the world undertaking covert action in most instances is a figment of somebody's either anticipation or imagination.

It isn't that we might not want to. We simply don't have the capability with most of it having been reduced. Where are we then in the 1980s? We are left with an organization 40 percent of its size 15 years earlier and with a world that's becoming much more complicated. If you believe the last of the 1980s or the 1990s are most likely to see us involved in a cataclysmic clash on the central front of Europe, relax. We are in very good condition to tell you it's going to occur because that's where all the focus is. If, on the other hand, you share my concerns that we are much more likely to find ourselves in the late 1980s and 1990s in great competition economically for raw materials, natural resources, markets in unstable areas of the world, then we are in very poor condition to deal with those kinds of problems.

WE ARE in the best condition we have ever been in to warn against surprise attack, and we're reasonably good about understanding the size, scope and capabilities of military forces. We do poorly on political and economic matters; on economics because we've not paid much attention to it and on politics simply because of the difficulties in dealing with a closed society.

When we turn away from the Soviet Union and its principal allies, when we turn toward China, we again reduced our capabilities for following events. And for the bulk of the rest of the world, this country has at this point a very marginal capability to follow events.

For the longer term, how do you deal, if I am right, with the principal challenges that this country is going to have? How do you deal with the political and economic intelligence problems? The Defense Department doesn't really do any in-depth political or economic analysis. The State Department gives some competition to the CIA for political intelligence and really none for economic.

Those are the areas where I think we've got a lot of rebuilding to do, and we need to create some additional competitive analysis centers. When you go out to collect raw information, you don't need competition to do that. You need to manage that in a smart way. But when you turn to analyze what it means, you're dealing with the world's biggest jigsaw puzzle, bits and pieces of information. And the assumptions you bring make a very large difference about how you put those pieces together. And competition at least refines that process, and makes it less likely that you're going to be wildly misled by somebody's assumptions.